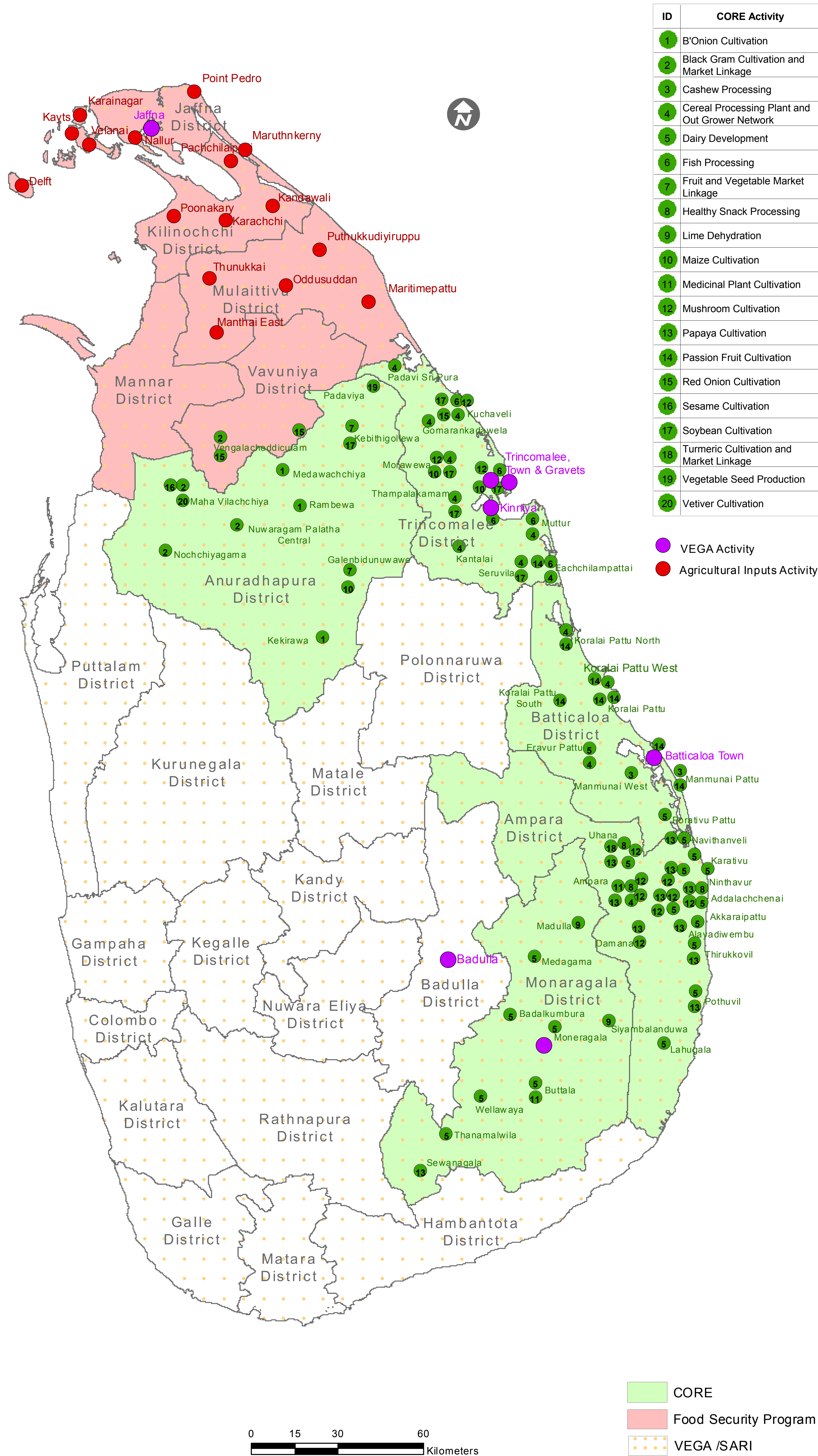


USAID/Sri Lanka – Economic Growth Programs

August 2011



The Sri Lankan economy has grown rapidly since the end of the conflict in 2009. With GDP growth forecasted at 8.5% in 2011, poverty rates are expected to decline. However, income inequality remains high, with striking differences between urban and rural areas. USAID supports activities to spur economic growth for all Sri Lankans through assistance primarily to the private sector. Programs are developing public-private alliances, fostering stability, creating sustainable jobs and jump-starting much-needed economic growth, particularly in former conflict areas.

Increasing Incomes by Connecting Regional Economies

USAID's Connecting Regional Economies (CORE) program works to increase social and economic security in Sri Lanka's Eastern province by stimulating participation in competitive agricultural value chains, creating new livelihood options for vulnerable populations, and promoting workforce development and a pro-business policy environment. CORE acts as a connector between farm and non-farm enterprises, and fast-growing domestic and export markets. To date, 12,500 people have benefitted from CORE activities. Surveys indicate that household incomes rose from 10 to 50 percent as a result of this program.



Feeding Resettled Families by Providing Agricultural Inputs

Through a grant to the Food and Agriculture Organization (FAO), USAID is providing necessary tools to re-start agricultural production in the Northern province and help resettled families become more secure. This program has supplied rice seed and tools to 17,000 families, a poultry production package to 3,950 female-headed households, and 4,400 water pumps to farmers to ensure successful field crop production.



Increasing Business Opportunities by Providing Expert Consultation

USAID's Volunteers for Economic Growth Alliance (VEGA) program provides access to Sri Lankan and international expert consultants for short-term projects in the public and private sector. Approximately 40 consultants have completed work in Sri Lanka to date. Projects ranged from work with the Ministry of Economic Development on investment promotion strategies to waste management advising for the Trincomalee Urban Council.



Improving Energy Security by Promoting Energy Efficient Lighting

USAID's South Asia Regional Initiative Program for Energy (SARI/E) targets multiple countries to promote cross-border trade, bolster energy markets and improve access to clean energy. In Sri Lanka, the program partnered with the Sri Lanka Sustainable Energy Authority to establish the Regional Center for Energy Efficient Lighting. The center engages public and private enterprises on energy efficient lighting.



Stimulating Growth by Giving Grants to Small Businesses

The Biz+ program will provide grants and targeted technical and management assistance to small and medium businesses in the North and East, with the goal of increasing their participation in the economy.